

**INFLUENCE OF SARBANES OXLEY ACT (SOX) SECTION 404
IMPLEMENTATION TO INDIVIDUAL PERFORMANCE
WITH MOTIVATION AS MODERATING VARIABLE**

Abstract

The research was done to investigate the influence of Sarbanes Oxley Act (SOX) Section 404 to Individual Performance, which involved Motivation as moderating variable. This research refers to contingency theory.

*The data was collected from employee of PT. Telekomunikasi Selular (TELKOMSEL), at the Head Office, Jakarta. There are 56 samples was collected by direct questioner survey and was chosen by purposive random sampling. The variables include implementation of Sarbanes Oxley Act (SOX) 404 section, motivation and individual performance. According to United State Federal law and United State Security Exchange Commission (US-SEC), the Sarbanes Oxley Act (SOX) 404 implementation were categorized Transactional Level Control (TLC), Entity Level Control (ELC), and Information Technology General Control (ITGC). This research using regression analysis with moderating variable, which use the **absolute value** of the **difference** from Frucot and Sharon (1991), tested the hypothesis. Therefore, this research has theoretical and methodological meanings.*

The result indicates that SOX 404 implementation and motivation influence to individual performance, but the influence of SOX 404 implementation to Individual Performance without moderating variable. Anyway, with alternative regression model, motivation is intervening variable for SOX404 implementation influence to individual performance.

Key Word: Sarbanes Oxley Act (SOX) 404, Transactional Level Control (TLC), Entity Level Control (ELC), Information Technology General Control (ITGC), Motivation, Individual Performance.